

52
~~Top Secret~~

Special Analysis

YUGOSLAVIA: Contentious Weeks Ahead

In the coming weeks, Yugoslav authorities will face mounting turmoil from ethnic Serb demonstrations, labor unrest, and lingering Slovene-military tensions. Widespread protests and strikes seem likely, but Belgrade should be able to contain the unrest without severe repression. If protests turn violent or these problems converge to threaten national stability, however, federal authorities may resort to a police or even military crackdown.

The greatest potential danger is the increasing militancy among Serbs protesting the treatment of the Serbian minority in Kosovo by that province's largely Albanian leadership. The protesters—supported by Serbian Republic party chief Milosevic—want constitutional changes to give Serbia more power over Kosovo and Serbia's other province of Vojvodina. It is threatening to rally at least 500,000 supporters in Belgrade this month during a Central Committee plenum on stability and have already organized demonstrations of up to 60,000 in several regions in recent weeks.

Other Sources of Discontent

Labor unrest also may reach new heights as workers return from summer vacations to smaller paychecks and higher prices. Wage restraints and price decontrol are part of an IMF austerity program adopted last spring to deal with the country's foreign debt and triple-digit inflation. Officials so far have stood firm against most wage demands, but labor strikes this summer were larger, better organized, and more clearly focused against national policies.

Relations between Slovenes and the military continue to simmer. New demonstrations may break out this month if a military court rejects the appeals of two liberal Slovene journalists convicted of betraying state secrets in connection with proposed anti-Army articles. A vocal Slovene human rights committee recently accused the military of fabricating evidence in a new case against a Slovene recruit.

Outlook

Authorities probably can contain each of these problems for now:

- National leaders probably will take tough measures to restrict the Serb protesters and will avoid supporting Serbia's more controversial constitutional proposals, a failure that may weaken Milosevic and lead to his eventual ouster.

continued

~~Top Secret~~

~~Top Secret~~

- Local officials probably will grant workers some wage concessions, and widespread strikes may lead to the reinstatement of some national price controls. These may put Yugoslavia out of compliance with its IMF program and delay further credits following the IMF's review in November.
- The military will probably continue to criticize Slovene pacifists but will stop short of more serious pressure or intervention.

There would be a broader threat to national stability if large demonstrations turn violent or if local authorities cannot handle an escalating regional problem. To contain localized unrest, officials would probably send in riot police or, if necessary, military troops. If civil disorder persists or threatens to spread, the government may resort to some form of martial law.